

2008 Form 5500 Supplemental Guide

2008 Form 5500 – Who Files What?

Lines to Complete

This section identifies the lines that must be completed on the 2008 Form 5500, unless the instructions specify otherwise.

Pension Plans

If filing for a pension plan, voluntary alternative reporting for certain plans with fewer than 25 participants need to add information from Page 9 of the Form 5500 Instructions.

Small Pension Plans

Complete the entire form and any required schedule or attachments. Possible schedules will include Schedules A, MB, SB, D, E, I, R, and SSA.

*Note: If Schedule I, line 4k, is checked "No," the filer **must** attach the report of the independent qualified public accountant (IQPA) or a statement that the plan is eligible and elects to defer attaching the IQPA's opinion pursuant to 29 CFR 2520.104-50 in connection with a short plan year of seven months or less.*

Large Pension Plans

Complete the entire form and any required schedule or attachments. Possible schedules will include Schedules A, C, D, E, G, H, MB, R, SB, SSA, and an accountant's report.

*NOTE: The filer **must** attach the report of the independent public accountant identified on Schedule H, line 3c, unless line 3d(2) is checked.*

Small Welfare Plans

If filing for a small welfare plan that is not unfunded, fully insured, or combination unfunded/fully insured, complete Form 5500, Part I and Part II, lines 1-6, 7a-7d, 8b, 9 and 10 and any required schedule or attachments. Possible schedules will include Schedule A, D, and I.

Note: Unfunded, fully insured, and combination unfunded/fully insured Welfare plans with fewer than 100 participants at the beginning of the plan year that meet DOL Regulation 2520.104-20 are exempt from filing.

***Large
Welfare
Plans***

Complete Form 5500, Part I and Part II, lines 1-6, 7a-7d, 8b, 9, 10 and any required schedule or attachments. Possible schedules will include Schedules A, C, D, G, H, and an accountant's report.

Note: Unfunded, fully insured, and combination unfunded/fully insured Welfare plans with over 100 participants at the beginning of the plan year that meet DOL Regulation 2520.104-20 must file a Form 5500 but are exempt from the accountant's report and Schedule H but must complete Schedule G, Part III, to report any nonexempt transactions.

***Fringe
Benefit Plans***

Notice 2002-24 suspended the filing requirement for fringe benefit plans. Fringe benefit plans include cafeteria plans (under IRC 125), educational assistance plans (under IRC 127), and adoption assistance plans (under IRC 137).

Note: Although Notice 2002-24 suspended the filing requirements for fringe benefit plans, it did not change the filing requirements for welfare plans.

Completing the 2008 Form 5500

One of the following codes must be checked:

Part I, Line A

Code	Description
(1) Multi-employer Plan	<p>A plan is a multiemployer plan if:</p> <ul style="list-style-type: none">a) More than one employer is required to contributeb) The plan is maintained pursuant to one or more collective bargaining agreementsc) An election under 414(f) (5) and ERISA 3(37) (E) has not been made <p>Note: Participating employers do not file individually for these plans.</p>
(2) Single-Employer Plan	<p>A single-employer plan is an employee benefit plan maintained by one employer or one employee organization.</p>

(3) Multiple-Employer Plan	<p>A multiple-employer plan is a plan that is maintained by more than one employer and is not one of the plans already described.</p> <p>Do NOT check this box if the employers maintaining the plan are members of the same controlled group.</p> <p>Note: Participating employers do not file individually for these plans.</p>	
(4) Direct Filing Entity (DFE)	Type of Entity	Enter the Letter
	Master Trust	M
	Common/Collective Trust	C
	Pooled Separate Account	P
	103-12 Inv. Entity	E
	Group Ins. Arrangement	G

Part I, Line B

Only check a box if it applies. *If none applies, then leave blank.*

Part I, Line C

A collectively bargained plan usually means negotiated by a union. *If it does not apply, then leave blank.*

Part I, Line D

This box should be checked if:

- A Form 5558 was filed.
- The plan sponsor is using a Federal Income Tax extension.
- The plan sponsor is filing under a special extension such as a Presidential-declared disaster or in a combat zone for the US Armed Forces.
- The Form 5500 is being filed under the DFVC program.

In all cases, a copy of the extension or a statement must be attached to the Form 5500 when filed.

Part II, Line 1

Line	Instructions
1a	Enter the actual plan name.

1b	Enter the three-digit plan number. Pension plans or DFEs start with 001. Welfare and fringe benefit plans start with 501. Note: The instructions state not to use plan number 888 or 999.
1c	Enter the original effective date of plan, not an amended effective date.

**Part II, Line
2**

Line	Instructions
2b	Enter the EIN used for federal tax purposes, not the trust identification number or the SSN. If the filer is part of a controlled group, one of the controlled group members must be designated as the plan sponsor and its name and EIN should be used on all Form 5500 filings and schedules.
2d	Enter the appropriate business code located on pages 66 thru 68 from the 2008 Form 5500 instructions. Note: Business/Principal Industry Code 813000 should be used for tax-exempt entities.

**Part II, Line
3a**

Enter the information for the plan administrator named in the plan document. If the plan sponsor is the administrator, enter "same."

Note: An employee of the plan sponsor who performs administrative functions is not a plan administrator unless he or she is specifically named in the plan document. If he or she is named in the plan document, he or she must apply for an identification number using Form SS-4.

**Part II, Line
4**

A change in plan sponsor can occur if a sole proprietorship changes to a corporation and adopts the retirement plan, or if one company buys another company and adopts the plan.

Note: If one plan is merged into another plan, line 4 is not completed. If the plan merges with another plan, a final return is filed and the information regarding the plan it merged with is reported on Schedule H or I.

**Part II, Lines
6 and 7**

Participants at the beginning and end of the plan year are determined as defined in the instructions on page 17. Be aware that any individual who is eligible to elect to have an employer make payments to a code section 401(k) plan is a participant, even if that individual has elected not to make any contributions.

Line	Explanation
7g	Only applies to defined contribution plans (i.e.: money purchase and profit sharing) does not apply to defined benefit plan.
7h	List ALL participants who left without 100% vesting during the plan year.
7i	If there is an entry on this line, a Schedule SSA must be attached.

**Part II, Line
8**

Check the appropriate plan type and enter all the codes that apply from the list beginning on page 18 of the instructions.

Note: Codes beginning with “1” pertain only to defined benefit plans. Pension plans can have pension and welfare benefit features, code “4.”

**Part II, Line
9a**

Funding arrangement applies to where the plan assets are being held. Check the box that applies to where the assets were received, held, transmitted, or invested prior to the time the plan actually pays benefits.

Insurance	<p>If the plan has any assets that are held or invested with an insurance company, check the box.</p> <p>If the plan pays premiums to an insurance company, check the box.</p>
Section 412(i) Insurance Contracts	<p>Note: These contracts only apply to pension benefit plans. Welfare plans do not have these types of contracts. They mostly apply to DB type plans. If the DB plan is funded with 412(i) insurance contracts, no Schedule MB or SB is required.</p> <p>For an insurance contract to qualify under IRC 412(i), it must provide for the following:</p> <ul style="list-style-type: none"> • Level premium payments over the individual’s period of participation in the plan • The premiums must be timely paid as currently required under the contract • No rights under the contract may be subject to security interest • No policy loans may be outstanding

Trust (a separate account in the name of the plan/trust)	<p>Note: Most pension plans have trust accounts. Most welfare plans DO NOT have trust accounts. Generally, the trust is established using the trust EIN.</p> <p>If the employer set up an account exclusively for the plan that receives, holds, transmits or invests the plan assets, other than an account or policy of the insurance company, then check the box.</p>
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General Assets of the Plan Sponsor (aka UNFUNDED or pay as you go)	<p>Note: Most pension plans will not be funded from the general assets of the plan sponsor if they are a qualified plan. A pension benefit plan that is not intended to be a qualified plan (code 3C on line 8a), may be an unfunded plan. Many welfare plans are unfunded.</p> <ul style="list-style-type: none"> • If the assets of the plan are commingled with the employer's general assets, then check the box. • If the assets held in a separate account are in the name of the plan sponsor, then check the box. • If the plan sponsor can use this money to pay other business expenses, then check the box. • If the employer hires an insurance company to administer claims and then reimburses the insurance company or has an account that the insurance company can draw money from to pay claims, then check the box.
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Stop Loss Coverage

A plan or an employer may buy this type of coverage. This is an insurance policy that is purchased by the plan or the employer to cover high dollar amount claims. If the plan purchases or receives the benefit of the coverage, then the plan should check box 9a (1) and attach Schedule A.

If the employer purchases the coverage and receives the benefit of the coverage, then box 9a (1) would not be checked and the stop loss coverage would not be reported on Schedule A. Refer to the note on page 22 in the 2008 Form 5500 Instructions.

Part II, Line 9b

Benefit arrangement applies to how plan benefits are paid or who is paying out plan benefits. Check the box that applies to how plan benefits are paid or who is paying out plan benefits.

Insurance	If the insurance company pays benefits directly to the participants, then check the box.
Section 412(i) Insurance Contracts	Check the box if the insurance company pays benefits directly to the participants and the contracts provide for the level premium payments over the individual's period of participation in the plan: <ul style="list-style-type: none"> • That the premiums must be timely paid as currently required under the contract, • No rights under the contract may be subject to security interest, and • No policy loans may be outstanding.
Trust (a separate account in the name of the plan or trust)	If the employer pays benefits out of an account that has been set up exclusively for the plan , which receives, holds, transmits or invests the plan assets other than an account or policy of the insurance company, such as a bank money market, CD, mutual fund account, stocks, and bonds, then check the box.
General Assets of the Plan Sponsor (aka UNFUNDED or pay as you go)	If the employer writes checks for benefits directly from the company's checking account, or if the employer hires an insurance company to administer the claims and the employer reimburses the insurance company or has an account that the insurance company can draw money from to pay claims, then check the box.

Actuarial Information

Schedule B

- This schedule is obsolete in the 2008 plan year.

Schedule MB

- All multiemployer defined benefit plans subject to the minimum funding standards (Code sections 412 and 431 and Part 3 of Title I of ERISA), regardless of size or type, **must** complete and file Schedule MB.
- If a money purchase defined contribution plan (including a target benefit plan) has received a waiver of the minimum funding standard, and the waiver is currently being amortized, lines 3, 9, and 10 of Schedule MB must be completed. In such a case, the Schedule MB must be attached to Form 5500 but it need not be signed by an enrolled actuary.

- The Schedule MB does not have to be filed with the Form 5500-EZ, but it must be retained (in accordance with the instructions for Form 5500-EZ under the *What To File* section.) Also, the funding standard account for the plan must continue to be maintained, even if the Schedule MB is not filed.

Schedule SB

- The sponsor or plan administrator of a single-employer benefit plan (including a multiple-employer defined benefit plan) that is subject to the minimum funding standards (see Code section 412 and Part 3 of Title I of ERISA) must file this schedule as an attachment to the Form 5500.
- This schedule is ***not*** filed for a multiemployer plan nor a money purchase defined contribution plan (including a target benefit plan) for which a waiver of the minimum funding requirements is currently being amortized. Information for these plans must be filed using Schedule MB.
- The Schedule SB does not have to be filed with the Form 5500-EZ, but it must be retained (in accordance with the Instructions for Form 5500-EZ under the *What To File* section). The enrolled actuary must complete and sign the Schedule SB and forward it to the person responsible for filing the Form 5500-EZ, even if the Schedule SB is not filed.

Schedule E

ESOP Annual Information

- All Employee Stock Ownership Plans must complete. If line 10a(3) of Form 5500 is checked, and the codes on line 8a are 2O, 2P, or 2Q, the sponsor is indicating this is an ESOP plan.
 - If lines 1a and b are answered “No,” the remainder of the schedule does not have to be completed.
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Schedule H

Financial Information (Large Plans)

- Filed by plans with 100 or more participants as of the beginning of the plan year. Exceptions:
 - Fully insured, unfunded (or combination of both) welfare benefit plans and fully insured pension plans.
 - The 80-120 rule applies (then Schedule I may be used).
- Must be attached if Form 5500 line 10b(1) is checked.

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- Schedule H must balance!
- Beginning-of-year assets must be the same as end-of-year assets shown on the prior year report.
- The cash, modified cash, or accrual basis may be used for reporting plan assets, so long as the same method is used consistently. Round off to the nearest dollar. DO NOT REPORT CENTS.
- All assets must be reported for each plan, even if held in more than one trust. Report all assets at FMV.

Line	Instructions
1(g)-(k)	Do not include the value of future pension payments as liabilities. Only report claims that have been processed but not yet paid.
2a	Participant contributions – for reporting employee elective contributions under cash or deferred arrangement.
2b(4)	Refers to realized gains/losses (when an asset is sold).
2b(5)	Refers to <i>unrealized</i> gains/losses due to the fluctuation of FMV of an asset that has not been sold.
2b(6)-(9)	Must be completed if there are any entries on lines 1c(9)-(12).
2e(1)	Enter all distributions, including direct rollovers to IRAs or qualified plans.
2f	Report here corrective distributions for excess deferrals, excess contributions, and excess aggregate contributions. Also, report the amount of any elective deferrals and employee contributions that were returned to the employees during the plan year, and any attributable gains.
2(g)	Report here deemed distributions of participant loans. See instructions beginning on page 31.

Schedule I

Financial Information Small Plans

- Must be attached if Form 5500 line 10b(2) is checked.
- The same general rules that apply to Schedule H with respect to reporting income, expenses, assets, and liabilities apply to Schedule I. Schedule I must balance!

Line	Instructions
1	Edit checks – line 1c(a) plus 2(j) plus 2(k) must equal 1c(b); and line 1(a) minus 1(b) must equal 1(c)
2	Edit check – line 2(d) minus 2(i) must equal 2(j)
2a(2)	Participant contributions – Elective contributions under a qualified cash or deferred arrangement (IRC 401(k)) should be entered on this line.
2(c)	Report other income including: interest, dividends, rents, royalties, realized gains/losses (from asset sales), <i>unrealized</i> gains/losses (change in FMV of asset)
2(e)	Enter all distributions including: <ul style="list-style-type: none">• Payments to (or on behalf of) participants or beneficiaries including direct rollovers• Payments to insurance companies or similar agencies or individuals for providing benefits
2(f)	Enter here the amount of corrective distributions for excess deferrals, excess contributions, and excess aggregate contributions. Also, report the amount of any elective deferrals and employee contributions that were returned to employees during the plan year, as well as attributable gains.
2(g)	Report here deemed distributions of participant loans. See instructions on page 47.
2(k)	Used to report transfers of assets between <i>plans</i> , not between investment accounts.
3(a)-(g)	Answer “NO” if the plan held no assets in any of the listed categories. If “yes” to any category, enter the amount representing the value of the asset at the year’s end, or “0” if no assets remain in the category.
5(a)	If a resolution to terminate the plan was adopted in the plan year (or a prior year), answer “yes.” If “yes” <i>and</i> some assets reverted to the plan sponsor, enter the amount reverted.
5(b)	Enter information concerning the transfer of assets/liabilities from the plan to another plan.

Schedule R

Retirement Plan Information

- Reports information about plan distributions, funding, certain amendments, and coverage.

- Only file for pension plans, not welfare benefit plans.
- Must be attached to Form 5500 if line 10a(1) is checked.
- Must be attached to Form 5500 if filed for one of the following:
 - DB plan
 - DC plan subject to minimum funding standards
 - DC plan (not subject to minimum funding) that paid distributions during the plan year in a form other than cash (or cash equivalent), or paid by an entity other than the plan administrator
 - Plan that distributed benefits in the form of a single sum distribution, unless a Profit Sharing, ESOP, or Stock Bonus plan
- So, if a plan is NOT a DB, NOT a Money Purchase plan, or NOT a plan subject to minimum funding standards AND no distributions were made in a form other than cash or by other than the plan administrator, do not complete Schedule R. Also, 403(b) plans do not complete Schedule R.

Type of Plan	Lines to Complete
PS, ESOP, Stock Bonus and distributions were other than cash or paid by other than plan administrator	Lines 1, 2, and 9
Money Purchase	Lines 1-6 and 9
Defined Benefit	Lines 1-9

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Line	Instructions
1	Report distributions made in <i>other than</i> cash (or its equivalent), annuity contracts, or publicly traded company stock. This would be items that may be difficult to appraise, like real estate, artwork, gemstones, etc. Report distributions regardless of when they began (for example, lump sum, annuity, periodic payments, etc.). Do not include corrective distributions. If cash distribution, enter -0-.
2	Enter the EIN of the entity that will issue the 1099-R and/or file Form 945
3	Enter the number of participants who received lump sum distributions.
4	Check "yes" if the plan administrator elected to have any amendment adopted after the beginning of the plan year treated as having been made on the 1 st day of the plan year, for the purpose of computing minimum funding arrangements.

5	To be completed if a Money Purchase plan has received a minimum funding waiver from National Office. Then parts of Schedule MB/SB must also be completed, but not signed by an actuary.
6(a)	Enter the amount that should be contributed to the plan for the plan year, as stated in the plan document.
6(b)	Enter the amount of contributions actually made to the plan no later than 8 ½ months after the plan year ends. But, show only contributions made by the date the Form 5500 is filed. Do not include receivables.
6(c)	Computation line – if greater than -0-, there may be an accumulated funding deficiency, and Form 5330 should be filed to compute an excise tax liability.
7	Get the information from the actuary.
8	For DB plans only, mark the appropriate box. Both “increase” and “decrease” may apply.
9	R-mail. This question should be gone for the 2008 plan year.

Note: Any plan that meets the conditions for filing under VARO and elects to do so will complete only lines A, B, C, D, and Part II

Schedule SSA

Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits

- Must be attached if line 10a(4) of Form 5500 is marked.
- For pension plans only, not welfare benefit plans.
- Cannot use alternate attachments in lieu of multiple pages 2 of Schedule SSA.
- The purpose is to report participants who have separated from service but have not received their benefits. The Social Security Administration uses this information to send reminder notices to these participants when they apply for SS benefits.
- Participants should be reported for the year of separation, or the following year. **Example: Jan left the Proxy Company in 2007. She has vested benefits remaining in the Proxy Company Pension Plan. The sponsor will report her on its 2007 Schedule SSA, or it may wait to report her on the 2008 Schedule SSA.** A participant will be reported only once, unless it is to revise or update a prior schedule.
- There is no requirement to “unreport” a participant once he/she has been paid all benefits.
- There is no requirement to report a participant if, before the due date

of the Form 5500 and Schedule SSA, the participant:

- Is paid all of the deferred vested benefit (Note: if only some of the benefits are paid, the participant must be listed on Schedule SSA, relative to the remaining vested benefit, for the year following the last plan year that a portion of the benefit is paid.)
- Returns to service covered by the plan and/or accrues additional retirement benefits under the plan, or
- Forfeits all deferred vested retirement benefits to the plan.